#### E/MARRIED WITH ONE INCOME — SHORT FORM 2000 FORM MO-1040A MISSOURI INDIVIDUAL INCOME TAX RETURN SPOUSE'S LAST NAME FIRST NAME MIDDLE INITIAL YOUR SPOUSE'S SOCIAL SECURITY NUMBER PRESENT ADDRESS (INCLUDE APT. NO. OR RURAL ROUTE) COUNTY OF RESIDENCE SCHOOL DISTRICT NO. CITY, TOWN OR POST OFFICE, STATE AND ZIP CODE PLEASE CHECK THE APPROPRIATE BOXES THAT APPLY TO YOU/YOUR SPOUSE AGE 65 OR OLDER BLIND 100% DISABLED NON-OBLIGATED SPOUSE ☐ YOURSELF ☐ SPOUSE YOURSELF SPOUSE 00 What did you report as your total income on your 2000 federal return? 1 Subtract any state income tax refund included in your 2000 federal income. 2 00 TOTAL MISSOURI INCOME. Subtract Line 2 from Line 1. 00 3 00 Mark your filing status box below and enter exemption amount here. 4 ☐ A. Single — \$2,100 (See Box B before checking) See FAQ ☐ B. Claimed as a dependent on another person's federal D. Married filing separate — \$2,100 E. Married filing separate (spouse tax return - \$0.00 ☐ C. Married filing joint federal & combined Missouri — \$4,200 NOT filing) — \$4,200 (Only one spouse with income) Head of household — \$3,500 G. Qualifying widow(er) with Check which spouse had income: DEDUCTIONS ☐ Yourself ☐ Spouse dependent child — \$3,500 5. What was your federal income tax Enter this amount or \$5,000 (\$10,000 if 00 married filing combined), whichever is less. reported on your 2000 federal return? 5 00 00 6. What is your standard or itemized deduction (see back of form for amounts)? 6 + Do not 7. Enter the total number of dependents you claimed on your federal 7 00 return and multiply by \$1,200. (Do not include yourself or spouse.) include vourself or 8. Enter the total number of **dependents** age 65 or older claimed on your your spouse. federal return and multiply by \$1,000. (Do not include yourself or your spouse.) 8 00 00 Enter your long-term care insurance deduction 9 + TOTAL DEDUCTIONS. Add Lines 4 through 9 10 00 **ENCLOSE** TOTAL MISSOURI INCOME (Line 3) minus TOTAL DEDUCTIONS **COPY OF** 00 11 W-2(s)/ 1099-R(s) TOTAL TAXES. Use the tax table on the back of this form to figure the tax. 00 What is the Missouri withholding for you or your spouse? 00 Enter the total amount from all Form W-2(s) and Form 1099-R(s) ..... 13 Did you make any Missouri estimated tax payments for 2000? If so, include PAYMENTS/REFUNDS any amount of your 1999 refund credited to your 2000 estimated payments. 00 00 15. 16. If amount of TOTAL PAYMENTS (Line 15) is larger than amount of TOTAL TAXES (Line 12), enter the difference here. You have overpaid. If not, enter the amount on Line 20. 16 ററ Elderly Home Missouri Nationa You may donate part of your refund or contribute additional payments to any Trust Fund Trust Fund Delivered Meals Guard Trust Fund Trust Fund or all of the trust funds listed to the right. Please indicate your choices and the amount of your donation for each fund in the appropriate boxes. . . 00 00 00 18 What is the amount from Line 16 you want applied to next year's taxes? 00 Your REFUND. Line 16 minus Lines 17 and 20. If Line 15 is less than Line 12, you have an 18. Mail to: Department of Revenue, OR AMOUNT DUE. Mail to: Department of Revenue MAILED P.O. Box 500, Jefferson City, P.O. Box 329, Jefferson

	Under penalties of perjury, I declare that I have examined the (other than taxpayer) is based on all information of which he/s						DOR ONLY	<b>E</b>	P	F
JRE	I authorize the Director of Revenue or delegate to disc	cuss my return and e	nclosures with the preparer or any r	nember of his/her firm.	PREPARER'S PHONE NU	JMBER				
GNATL	YOUR SIGNATURE		DATE	PREPARER'S SIGNATURE		FEIN, SSN OR	PTIN			
S	SPOUSE'S SIGNATURE		DAYTIME TELEPHONE	PREPARER'S ADDRESS AND ZIP CODE			DATE			

City, MO 65107-0329.

20

00

MO 65106-0500.

### STANDARD DEDUCTION AMOUNTS

If your filing status is claimed as a dependent on another person's federal return, see your federal return for your standard deduction amount.

- Single \$4.400
- Married Filing A Combined Return or Qualifying Widower \$7,350
- Head of Household \$6,450
- Married Filing Separate \$3,675

If you or your spouse marked any of the boxes for 65 or older or blind, please see your federal return for your standard deduction amount. If you marked filing status B on Line 4, please see your federal return for your standard deduction amount.

### MISSOURI ITEMIZED DEDUCTIONS



- You will need to use the Line-by-Line Instructions.
- Complete only if you itemized deductions on Federal Form 1040, Schedule A.
- Enclose a copy of pages 1 and 2 of your Federal Form 1040 and Federal Schedule A. If you were required to itemize deductions on your federal return, check here  $\square$ . (See instructions)

Total federal itemized deductions from Federal Fe	orm 1040, Line 36			1	00		
2. 2000 (FICA) — yourself — Social security \$	+ Medicare \$			2	00		
3. 2000 Railroad retirement tax — yourself (Tier I ar	nd Tier II) \$ + Medicare \$			3	00		
4. 2000 Self-employment tax — yourself,\$	Amount from Federal Form 1040, Line 27 \$	Diffe	rence	4	00		
<ul> <li>4. 2000 Self-employment tax — yourself \$</li> <li>5. TOTAL — add Lines 1 through 4</li> <li>6. State and local income taxes — Review instruction</li> </ul>				5	00		
6. State and local income taxes — Review instruction	ons below before completing	6	00				
7. Kansas City and St. Louis earnings taxes include	ed in Line 6	7	00				
8. Net state income taxes — subtract Line 7 from Li	8	00					
9. MISSOURI ITEMIZED DEDUCTIONS — subtract	9	00					
NOTE: IF LINE 9 IS LESS THAN YOUR FEDERAL STANDARD DEDUCTION, SEE INSTRUCTIONS.							

WORKSHEET FOR LINE 6 — STATE AND LOCAL INCOME TAXES — Complete this worksheet only if your federal adjusted gross income from Federal Form 1040, Line 33 is more than \$128,950 (\$64,475 if married filing separate). If your federal adjusted gross income is less than or equal to these amounts, do not complete this worksheet. See the instructions for the amount to enter on Line 8, above. Please submit a copy of your Federal Itemized Deduction Worksheet (Page A-6 of Federal Schedule A instructions).

1.41/44		
Enter amount from Federal Form 1040, Schedule A, Itemized Deduction Worksheet, Line 3 (see page A-6 of Federal Schedule A instructions). If \$0 or less, enter \$0	1	00
Enter amount from Federal Form 1040, Schedule A, Itemized Deduction Worksheet, Line 9 (see page A-6 of Federal Schedule A instructions).	2	00
3. State and local income taxes from Federal Form 1040, Schedule A, Line 5	3	00
4. Kansas City and St. Louis earnings taxes included on Federal Form 1040, Schedule A, Line 5	4	00
5. Subtract Line 4 from Line 3	5	00
6. Divide Line 5 by Line 1	6	%
7. Multiply Line 2 by Line 6	7	00
8. Subtract Line 7 from Line 5. Enter here and on Line 8 above	8	00

# 2000 TAX TABLE

is		If Line 1	1 is		If Line 1	1 is		If Line 1	1 is		If Line 1	1 is		If Line 1	1 is	
But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is
100	\$ 0	1,500	1,600	\$ 26	3,000	3,100	62	4,500	4,600	\$109	6,000	6,100	\$167	7,500	7,600	\$238
200	2	1,600	1,700	28	3,100	3,200	65	4,600	4,700	113	6,100	6,200	172	7,600	7,700	243
300	4	1,700	1,800	30	3,200	3,300	68	4,700	4,800	116	6,200	6,300	176	7,700	7,800	248
400	5	1,800	1,900	32	3,300	3,400	71	4,800	4,900	120	6,300	6,400	181	7,800	7,900	253
500	7	1,900	2,000	34	3,400	3,500	74	4,900	5,000	123	6,400	6,500	185	7,900	8,000	258
600	8	2,000	2,100	36	3,500	3,600	77	5,000	5,100	127	6,500	6,600	190	8,000	8,100	263
700	10	2,100	2,200	39	3,600	3,700	80	5,100	5,200	131	6,600	6,700	194	8,100	8,200	268
800	11	2,200	2,300	41	3,700	3,800	83	5,200	5,300	135	6,700	6,800	199	8,200	8,300	274
900	13	2,300	2,400	44	3,800	3,900	86	5,300	5,400	139	6,800	6,900	203	8,300	8,400	279
1,000	14	2,400	2,500	46	3,900	4,000	89	5,400	5,500	143	6,900	7,000	208	8,400	8,500	285
1,100	16	2,500	2,600	49	4,000	4,100	92	5,500	5,600	147	7,000	7,100	213	8,500	8,600	290
1,200	18	2,600	2,700	51	4,100	4,200	95	5,600	5,700	151	7,100	7,200	218	8,600	8,700	296
1,300	20	2,700	2,800	54	4,200	4,300	99	5,700	5,800	155	7,200	7,300	223	8,700	8,800	301
1,400	22	2,800	2,900	56	4,300	4,400	102	5,800	5,900	159	7,300	7,400	228	8,800	8,900	307
1,500	24	2,900	3,000	59	4,400	4,500	106	5,900	6,000	163	7,400	7,500	233	8,900	9,000	312
_	But less than  100 200 300 400 500 600 700 800 900 1,000 1,100 1,200 1,300 1,400	But less than         Your tax is           100         \$ 0           200         2           300         4           400         5           500         7           600         8           700         10           800         1           900         13           1,000         14           1,100         16           1,200         18           1,300         20           1,400         22	But less than         Your tax is         At least           100         \$ 0         1,500           200         2         1,600           300         4         1,700           400         5         1,800           500         7         1,900           600         8         2,000           700         10         2,100           800         11         2,200           900         13         2,300           1,000         14         2,400           1,100         16         2,500           1,200         18         2,600           1,300         20         2,700           1,400         22         2,800	But less than         Your tax is         At least less than           100         \$ 0         1,500         1,600           200         2         1,600         1,700           300         4         1,700         1,800           400         5         1,800         1,900           500         7         1,900         2,000           600         8         2,000         2,100           700         10         2,100         2,200           800         11         2,200         2,300           900         13         2,300         2,400           1,000         14         2,400         2,500           1,100         16         2,500         2,600           1,200         18         2,600         2,700           1,300         20         2,700         2,800           1,400         22         2,800         2,900	But less than         Your tax is         At least than         But less than         Your tax is           100         \$ 0         1,500         1,600         \$ 26           200         2         1,600         1,700         28           300         4         1,700         1,800         30           400         5         1,800         1,900         32           500         7         1,900         2,000         34           600         8         2,000         2,100         36           700         10         2,100         2,200         39           800         11         2,200         2,300         41           900         13         2,300         2,400         44           1,000         14         2,400         2,500         46           1,100         16         2,500         2,600         49           1,200         18         2,600         2,700         51           1,300         20         2,700         2,800         54           1,400         22         2,800         2,900         56	But less than         Your tax is         At least         But less than         Your tax is         At least           100         \$ 0         1,500         1,600         \$ 26         3,000           200         2         1,600         1,700         28         3,100           300         4         1,700         1,800         30         3,200           400         5         1,800         1,900         32         3,300           500         7         1,900         2,000         34         3,400           600         8         2,000         2,100         36         3,500           700         10         2,100         2,200         39         3,600           800         11         2,200         2,300         41         3,700           900         13         2,300         2,400         44         3,800           1,000         14         2,400         2,500         46         3,900           1,100         16         2,500         2,600         49         4,000           1,200         18         2,600         2,700         51         4,100           1,300         20         <	But less than         Your tax is         At least least         But less than         Your tax is         At less than           100         \$ 0         1,500         1,600         \$ 26         3,000         3,100           200         2         1,600         1,700         28         3,100         3,200           300         4         1,700         1,800         30         3,200         3,300           400         5         1,800         1,900         32         3,300         3,400           500         7         1,900         2,000         34         3,400         3,500           600         8         2,000         2,100         36         3,500         3,600           700         10         2,100         2,200         39         3,600         3,700           800         11         2,200         2,300         41         3,700         3,800           900         13         2,300         2,400         44         3,800         3,900           1,000         14         2,400         2,500         46         3,900         4,000           1,100         16         2,500         2,600         49	But less than         Your than         At less than         But less than         Your tax is         But less than         Your tax is           100         \$ 0         1,500         1,600         \$ 26         3,000         3,100         62           200         2         1,600         1,700         28         3,100         3,200         65           300         4         1,700         1,800         30         3,200         3,300         68           400         5         1,800         1,900         32         3,300         3,400         71           500         7         1,900         2,000         34         3,400         3,500         74           600         8         2,000         2,100         36         3,500         3,600         77           700         10         2,100         2,200         39         3,600         3,700         80           800         11         2,200         2,300         41         3,700         3,800         83           900         13         2,300         2,400	But less than         Your tax is         At least         But less than         Your tax is         At least         But less than         Your tax is         But less than         Your tax is         But less than         Your tax is         At least         But less than         Your tax is         At least         At least         At less than         Your tax is         At least         At least	But less than         Your tax is         At least than         But less than         At less than         But less th	But less than         Your than         At less than         But less than         At less than         But less than         But less than         But less than         But less than         Your than         At less than         At	But less than         Your than         At less than         But less than         Your than         At less than         But less than         But less than         Your than         At less than         But less than         Your tax is         But less than         Your tax is         But less than         But less than         Your tax is         But less than         Your tax is         At less than         But less than         Your tax is         But less than         To pole tax is         At less than         But less than         To pole tax is         But less than         To pole tax is         But less than         To pole tax is         But less than         But less than         To pole tax is         But less than         But less th	But   less   Your   At   less   than   tax is   least   tax is   ta	But   less   Your than   At   less   Hon   Lax is   Lest   Lest	But   less   Your   than   tax is   least   than   tax is   than   t	But   less   Your   than   tax is   least   tax is   tax i

Go to http://dor.state.mo.us/tax and enter your taxable income from Line 11 for assistance in calculating your tax.

Example — If Line 11 is \$12,000, the tax would be computed as follows: \$315 + \$180 (6% of \$3,000) = **\$495** 

9.000 315 PLUS 6% of excess over \$9,000

NOTE: Make sure \$315 is included in your calculation of tax for taxable income over \$9,000.

# FREQUENTLY ASKED QUESTIONS OF THE FORM MO-1040A

If all of the addressing information on your label is correct, please attach the label to the income tax form and print or type your social security number(s) in the spaces provided. Enter your county of residence and the correct number of the public school district in which you reside.

### How do I know if I am 100% disabled?

You are disabled if you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months.



#### Why is the department asking if I'm 100% disabled?

The Missouri Legislature passed a law that requires the department to contact taxpayers that may be eligible to claim a Property Tax Credit (PTC). The department uses the 100% disabled information to contact taxpayers who may be eligible to claim the PTC for property tax or rent paid on your home. You may visit the division's web site at <a href="http://dor.state.mo.us/tax">http://dor.state.mo.us/tax</a> to learn more about the property tax credit claim.



#### Why would I check myself as a non-obligated spouse?

If your spouse owes the state of Missouri any child support payments, back taxes, student loans, etc., you may want to check this box. By doing so, Missouri will not use your portion of any refund to pay those amounts owed by your spouse.

The non-obligated spouse apportionment applies only to state agencies. The Internal Revenue Service is not a state agency and debts owed to the IRS are excluded from the non-obligated spouse apportionment.



#### What was my income on my 2000 federal return?

This number will be found on your federal return. Use the chart below to find the answer.

Federal Form	Telefile	1040EZ	1040A	1040
Line Number	Line I	Line 4	Line 19	Line 33



#### Can I subtract my state tax refund?

You can subtract the state income tax refund that is included in your federal adjusted gross income (Federal Form 1040, Line 10). If you claim a subtraction for a state income tax refund, you must enclose a copy of your Federal Form 1040.



#### How do I know what my filing status is?

Use the same filing status you used when completing your federal return. Check the box applicable to your filing status. Box E may be checked **only** if all of the following apply: (1) you check Box 3 (married filing separate return) on your federal return; (2) your spouse had no income and is not required to file a federal return; and (3) your spouse qualifies as an exemption on your return and was not a dependent of someone else. **Caution:** Box B must be checked if you are claimed as a dependent on another person's federal tax return and you checked the "yes" box on Federal Telefile Tax Record, Line B or Federal Form 1040EZ, Line 5, or you were not allowed to check Box 6a on Federal Form 1040A or Federal Form 1040. **Only one box may be checked on Line 4, A through G.** 



#### What is my federal income tax deduction?

Missouri allows you a deduction for the federal income taxes you paid. Do not use the federal withholding tax amount from your Form W-2(s). The chart below shows you how to figure this deduction from your federal return.

Fede	eral Form	Telefile	1040EZ	1040A	1040
Line	Number	K box 2 – L	10 – 8A	33 – 38A	51 – 41 – 60A

If this results in a negative number, enter zero (0).

Place this number in the first box, but you can only claim a maximum of \$5,000 filing single or \$10,000 filing combined. You must only place the lower of the amount you paid or the maximum amount in the second box. Your federal income tax deduction must be taken from your federal return, not from your Form W-2(s).



## How do I know if I should take the standard deduction or itemized deduction?

If you claimed the standard deduction on your federal return, you must also claim the standard deduction on your state return.

**But,** if you or your spouse marked any of the boxes for 65 or older or blind, please see your federal return for your standard deduction amount. In addition, if you are claimed as a dependent on another person's return, please see your federal return for your standard deduction amount.

Single	Married Filing A Combined Return or Qualifying Widower	Head of Household	Married Filing Separate
\$4,400	\$ <i>7,</i> 350	\$6,450	\$3,675

If you itemized on your federal return, you may want to itemize on your state return or take the standard deduction, whichever results in the higher deduction amount. However, if you were **required** to itemize deductions on your federal return, you must also itemize deductions on your state return. To figure your itemized deductions please fill out the schedule on the back of the return. If you itemize deductions on your federal return, you must enclose a copy of Federal Form 1040, pages 1 and 2, and Schedule A.



#### How do I figure my dependent deduction?

Multiply \$1,200 by the total number of people you claimed as dependents on your federal return. **Do not include yourself or your spouse.** 



Multiply \$1,000 by the total number of people age 65 or older you claimed on your federal return. If dependents receive state funding or Medicaid, they do not qualify. Do not include yourself or your spouse. Enclose a copy of your federal return (pages 1 and 2).



#### What qualifies as the long-term care insurance deduction?

If you paid premiums for qualified long-term care insurance in 2000 you may be eligible for a deduction on your Missouri income tax return. Qualified long-term care insurance includes coverage for at least 12 months for people with chronic health conditions and/or physical disabilities including cognitive impairment or the loss of functional capacity, who are unable to care for themselves without the help of another person.

A.	Enter the amount paid for qualified
	long-term care insurance
	If you itemized on your federal return and your federa itemized deductions included medical expenses go to Line B if not skip to Line H.
В.	Enter the amount from Federal Schedule A, Line 4

C.	Enter the amount from Federal Schedule A, Line 1	C) \$	
D.	Enter the amount of qualified long-term care included in Line C	D) \$	
E.	Subtract Line D from Line C	E) \$	
F.	Subtract Line E from Line B. <b>If amount</b>	E) ¢	

Include a copy of your Federal Form 1040 (pages 1 and 2) and a copy of your Federal Schedule A (if you itemized your deduc-



tions).

#### How do I figure my tax?

If your Missouri taxable income is less than \$9,000, use the tax table located on the back of the tax form. If the Missouri taxable income is over \$9,000, then subtract \$9,000 from your Missouri taxable income and multiply the difference by 6%. This figure should be added to \$315 and placed on Line 12.



#### What are estimated tax payments?

Estimated tax is a method used to pay tax on income that is not subject to withholding. This includes income from self-employment, interest, dividends, alimony, rent, capital gains, prizes, awards and some pensions/annuities and Individual Retirement Accounts (IRAs). Quarterly estimated tax payments are due April 15, June 15,



September 15 and January 15.

# Why would I want to apply any or all of my refund to next year's taxes?



You may reduce the amount of tax you may have to pay with next year's Missouri return.

## Can I still make a trust fund contribution even though I have a balance due?



Yes, but don't forget to add the amounts contributed to the amount due and provide a separate check. The minimum contribution is \$2.00 (\$4.00 if married filing combined).

#### What are my payment options?

You can enclose a check or money order (U.S. Funds only) for the total amount due, payable to: Missouri Director of Revenue. Please do not postdate checks; they will be cashed upon receipt. Payments must be postmarked by April 16, 2001. If you have an amount due, you can pay by credit card, regardless of when you file your return, but the balance due must be paid by the due date to avoid additions to tax and interest. The department accepts Mastercard, Discover and American Express. Call toll-free (888) 296-6509. There will be a convenience fee charged to your account for processing.



### Frequently Asked Questions of the Missouri Itemized Deductions

#### What can I include in my Missouri Itemized Deductions?

You may include the items that are in your federal itemized deductions, except for state income tax. You may also include one-half of your self-employment tax and your withholding for social security tax, Medicare tax and railroad retirement tax reported on your Form W-2(s). However, if your withholding for social security and/or railroad retirement exceeded the maximum, the excess amount is not to be included. A cultural contribution is provided for an approved literary, musical, scholarly or artistic composition. **Monetary contributions do not qualify.** 



## Why do I have to subtract my state taxes from my itemized deductions?

The state of Missouri allows a deduction for the federal tax you pay. The state tax is included in your federal itemized deductions and it cannot be included in your Missouri itemized deductions.



#### Why should I complete this worksheet?

If your federal adjusted gross income is more than \$128,950 (\$64,475 if married filing separate) your federal itemized deductions were reduced. You should complete the worksheet to be sure you only subtract the amount of state and local tax you were allowed on your federal itemized deductions. Failure to complete the worksheet may result in you paying too much tax.

# LINE-BY-LINE INSTRUCTIONS FOR THE MISSOURI ITEMIZED DEDUCTIONS

- You must enclose a copy of your Federal Form 1040 and Federal Schedule A with your Missouri return if you itemize your deductions.
- You cannot itemize your deductions if you took the standard deduction on your federal return.

### LINE 1 — FEDERAL ITEMIZED DEDUCTIONS

Enter the amount from Federal Form 1040, Line 36 on Line 1. Include on Line 1 your **approved** cultural contributions (literary, musical, scholastic or artistic) to a tax exempt agency or institution that is operated on a not-forprofit basis. **Cash contributions do not qualify.** Contact the department at (573) 751-5746 to verify your contribution qualifies.

#### LINE 2 — SOCIAL SECURITY TAX (FICA)

Enter in the first box on Line 2 the social security tax **you** paid in 2000, from the social security tax withheld box on your 2000 Form W-2(s), (not to

exceed \$4,724). Enter in the second box on Line 2 the Medicare tax **you** paid in 2000, from the Medicare tax withheld box on your 2000 Form W-2(s). Enter the total of these two boxes on Line 2.

### LINE 3 — RAILROAD RETIREMENT TAX

Enter in the first box on Line 3 the railroad retirement tax, Tier I and Tier II, that was withheld from your wages during 2000 (not to exceed \$7,502). This amount includes a Tier I maximum of \$4,724 and Tier II maximum of \$2,778. Enter in the second box on Line 3 the Medicare tax **you** paid in 2000. Enter the total of these two boxes on Line 3.

**Note:** If a person has both FICA and railroad retirement tax, the maximum deduction allowed is the amount withheld as shown on the Form W-2(s) less, either the amount entered on Federal Form 1040, Line 61, or, if only one employer, the amount refunded by the employer.

#### LINE 4 — SELF-EMPLOYMENT TAX

Enter in the first box on Line 4 the self-employment tax **you** paid in 2000 from the Federal Form 1040, Line 52. Enter in the second box on Line 4, **your** portion of the amount of self-employment tax deducted on Federal Form 1040, Line 27. Subtract the second box from the first box and enter the difference on Line 4.

#### LINE 5 — TOTAL

Add Lines 1 through 4. Enter the total on Line 5.

#### LINE 6 — STATE AND LOCAL INCOME TAXES

Enter the amount from your Federal Form 1040, Schedule A, Line 5. **However**, if your federal adjusted gross income from Federal Form 1040, Line 33 is more than \$128,950 (\$64,475 if married filing separate) complete the Worksheet for Line 6 and skip to Line 8.

**Note:** The state and local tax you claim on your federal itemized deductions must be subtracted from Missouri itemized deductions. Because at the federal level your itemized deductions are reduced if your income is greater than \$128,950 (\$64,475 if married filing separate), you need to complete this worksheet so you subtract only the amount of state and local tax you were allowed on your federal itemized deductions. If you don't complete the worksheet, and you should complete it, your Missouri itemized deduction will be lower than it should be, and you'll pay too much tax!

#### WORKSHEET FOR LINE 6

Included in the Federal Revenue Reconciliation Act of 1990 was a provision that required individuals with federal adjusted gross income over certain income thresholds to reduce the amount allowable for federal itemized deductions by 3% of the excess over that threshold (26 USC 68). Certain deductions, such as medical expenses, investment interest and casualty, theft or wagering losses are not subject to this reduction. For 2000, the threshold is income over \$128,950 (\$64,475 if married filing separate).

#### <u>Line 7 — Earnings Taxes</u>

Enter on Line 7 the amount of any Kansas City and St. Louis earnings taxes that are included in Line 6.

#### LINE 8 — NET STATE INCOME TAXES

Subtract Line 7 from Line 6 and enter the result on Line 8 or if you completed the Worksheet for Line 6 enter the amount from Line 8 of the Worksheet.

#### LINE 9 — MISSOURI ITEMIZED DEDUCTIONS

Subtract Line 8 from Line 5 and enter the result on Line 9, and on front of form, Line 6. If this amount is less than the federal standard deduction (see federal income tax form instructions for amount), then you should enter the standard deduction amount on front of form, Line 6, unless you were required to itemize your deductions on your federal return. If you were required to itemize your deductions on your federal return, you must enter the amount from Line 9 on the front of the form, Line 6.